



TOWN OF NORTH ANDOVER

FINANCE COMMITTEE

Meeting Minutes

Meeting Date: 14 April 2011

Minutes Prepared by Herb Cunha

Meeting Location: Town Hall, 2nd Floor
BOS Conference Room

Meeting called to order: 6:55 PM

Mark Rodgers-MR, Chairman	X	Thom Dugan-TD	X
Ramsey Bahrawy -RB, Vice Chairman		Robert Norbedo-RN	X
Ben Osgood-BO	X	Matthew Remis-MRem	X
Alan LeBovidge-AL	X	Herb Cunha-HC, Minutes	X
Peter Besen-PB		Pat Sifferlen, PS, Admin	X
Bonnie Wilkinson-BW	X		

Non FinCom Members in Attendance

OTHERS: -Mark Rees, MRees-Town Manager

Note: All FINCOM votes are subject to change upon receipt of new information.

Note: Documents used in this meeting are listed in Document Table, herein.

II. Previous Minutes Approved

DATE: 7 Apr 2011 Approved
12 Apr 2011 Approved

III. New Business

AGENDA ITEM: A. Budget and CIP Overview (Mark Rodgers)

Discussion: -MR: His comments included 45% reimbursement from the State potentially exists for 3 Green Initiative Projects for our Schools, at \$1.3M. Net Debt will increase to \$3.3M if approved and for Water and Sewer \$1M if approved.

AGENDA ITEM: **B. Town Managers Budget Proposal overview (Mark Rees)**

Discussion: -MRees: For FY2012, \$1.5M (vs \$1.2M) Revenues for a \$78.8M Budget. Services have been consolidated to include IT, Purchasing and Facilities management. Split for services is 1/3 for Municipal and 2/3 for Schools. Overall budget split is 31.3% for Municipal and 68.7% for Schools. Reductions proposed are \$157K for Municipal and \$350k for Schools. School will also have to reduce members. There are 3 sources of revenue: 77% operating revenue-Property Tax at \$16M, State Aid-Chapter 70 funding has been reduced and General Fund-has been reduced. Regarding Debt Services: Excluded are previous approved 2 ½ projects and non-excluded Capital Improvement Projects. We have more costs, estimated at \$416k if we don't get concessions from the unions for insurance. We expect savings with the consolidated services of IT, Purchasing and Facilities Management.

AGENDA ITEM: **C. Public Comments and questions**

Discussion: -Citizenry: Question asked about Q1 House Ways & Means Budget being different than the Governors.
 -MRees: House same as Governor's, primarily same for retired house insurance which will save us approximately \$100k.
 -MR: Because of this uncertainty, we will have 2 budgets.
 -Citizenry: Items raised were the meals tax, asked what Fincom Feedback was, can it be earmarked, meals as Article 16 on local municipal, that the .75% tax on meals go to the General Fund.
 -MR: Town Manager can direct these funds. Why we support meals tax is because all of the towns that border us have a meals tax, will amount to \$344k during the first year, July 1, then \$413k the following year. It's almost inevitable that we will have staff reductions.
 -Citizenry: Attended the School Committee meeting and approximately \$400k is required to save jobs. BCG is looking at saving money.
 -MR: BCG board members meet to kick around ideas (implying that they don't make decisions).
 -MRees: Budget does not included meals; consensus is to include meals in Budget. The School Committee has been very transparent and will still take a hit.
 -Citizenry: This Public Fincom meeting was not obvious to some folks, late posting.
 -Comments from S Gleed, were read by Citizen: 2007 Library, Sr Center Youth and School were included for consideration in the override referendum so services could survive 2012. Here we are 4 years later and override should still cover. The Sr Center can't survive with a cut in services. They provide medical, meals, well being checks, etc. \$1.65M in taxes the NA voters have already. Article 22 unfavorable-in principal not all departments have been brought forward.

AGENDA ITEM: D. New Business – No new items

Discussion: .

IV. Next Meetings

19 Apr 2011 Town Hall, 1st Floor Conference Room

V. Adjournment-

Motion: AL Yes Unanimous
Seconded: BO Time: 7:23 PM

DOCUMENTS PROVIDED AT MEETING

ITEM #	TYPE	FROM	TO	SUBJECT	COMMENTS
1	Report	M Rees	General	Cherry Sheet Projections	
2	“	“	“	Budget Summary and Details FY12	

ACTION ITEMS

C=Complete

ITEM #	ACTION ITEM	INDIVID.	COMPL. DATE	STATUS
1-28	Completed items are shown in FINCOM Mtg Minutes of 4 Mar 2010 thru 28 Oct 2010 and 27 Jan 2011 for review.			C
30	Obtain copy of Osgood Landing sewer Budget from Lenny Degman, Asst to Mayor of Lawrence.	RB	17 Mar	c
32	Provide CD for New FINCOM member handbook.	MR	16 Nov	
33	Put on the Agenda, Minority Report and the formation of a FINCOM Article Sub-Committee.	MR	16 Nov	
34	Input to Mark Rees 2 scenarios, First- 5% in 2013 and Second-Otherwise scenario in 3 years.	MR/PB	3 Feb	c
35	Address pay cuts for BOS and Sch. Dept	MR	14 Apr	